

United States Senate

WASHINGTON, DC 20510

January 28, 2004

The Honorable Richard Shelby
Chairman
Senate Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, D.C. 20510-0001

The Honorable Paul Sarbanes
Ranking Member
Senate Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, D.C. 20510-0001

Dear Chairman Shelby and Ranking Member Sarbanes:

We write to express our strong support for proposals to increase Federal transit funding for rural states. We are encouraged by reports that the Banking Committee recognizes this need for increased funding for formula programs in rural states; and, we urge no retreat from this appropriate and extremely reasonable approach.

While some of our states have and will continue to benefit from urban transit programs, our states are primarily rural in terms of both geographic area and population. Unfortunately, rural transit programs in states such as ours have never been major recipients of transit funds. For example, a number of our states have historically received less than one-tenth of one percent of all transit funding.

Although proposed increases in Federal transit funding for rural states may appear significant when compared by percentage growth, these percentage increases translate into only modest dollar amounts. Thankfully, even these modest formula increases would allow our transit programs to begin catching up with our states' transit needs. Moreover, these incremental gains would not alter the basic shape of the overall national program. Should the Banking Committee adopt the proposal currently being considered that recognizes the transit needs of rural states, our states would still receive very small overall shares of the program and the traditional largest recipients of Federal transit dollars would still be the largest recipients of those dollars.

Rural transit in low-density states faces special challenges. The routes that small buses and vans must traverse in these areas have modest, although increasing, ridership and must travel longer distances. Yet, essential costs must be met: there must be a bus or van; there must be a driver; parts must be purchased; and training must be maintained - even though there are usually fewer riders and longer, more costly trips. Many senior citizens and others in rural America need the connection to the clinic, pharmacy, or other basic facilities that transit provides. If transit is truly to be a connecting force for all America, it must better serve these areas in our states.

We are strongly encouraged to learn that the Banking Committee is actively considering a funding approach that will, at long last, provide more appropriate funding recognition to our states' needs. We are prepared to vigorously support a Committee bill that adopts this approach. Thank you for your efforts and consideration.

Sincerely,

Michael B. Egan

Chuck Hartz

Sam Brown

Ly E Chang

Max Baucus

Tom Daschle

Hunt Lonnard

E. Benjamin Johnson

Byron L. Senger

Jim John
